

July 11, 2017

The Honorable Ron Menor, Chair
The Honorable Ikaika Anderson, Vice Chair
and Members
Honolulu City Council
530 So. King Street, Room 202
Honolulu, Hawaii 96813

Subject: Support for Bill 59, Relating to Affordable Rental Housing Incentives

Dear Chair Menor, Vice Chair Anderson, and Members:

ProsPac Holdings Group has been actively planning a transit-oriented development (TOD) project in the Ala Moana area, and the proposed measures in Bill 59 which offer incentives related to affordable housing will directly influence our development plans. We are encouraged by, and supportive of, the proposed incentives in Bill 59 for affordable rental housing.

It has been our clear understanding, after consultation with Councilmembers, City staff, and the community, that affordable rental housing is both much needed and not easy to produce. At the core of the vision for TOD planning has been the goal to yield more diverse and mixed-income housing options. It is our hope that the ProsPac planned development will help to deliver on this promise for realizing more inclusive communities. The proposed measures outlined in Bill 59 are further persuasive incentives to provide affordable rental housing.

During recent hearings on Bill 59, there were several sensible ideas discussed as additional incentives for development projects to provide affordable rental housing. One particular idea that deserves special consideration as an amendment to Bill 59, is the additional waiver or reduction of park dedication requirements for market-rate housing in projects providing on-site affordable rental housing.

We hope that the Council will take quick action to adopt Bill 59, and that it can be decoupled from Bill 58 in order to move ahead. While the Interim TOD provisions aim to allow for flexibility, in actuality the numerous (and sometimes conflicting) existing and proposed requirements for IPD-T and for affordable housing have presented very real and problematic uncertainties. Disentangling the proposed Bill 59 from the unsettled and debatable requirements proposed in Bill 58 will help to provide more clear direction, by offering unambiguous incentives for developing affordable rental housing.

Your consideration and prompt action is greatly appreciated.

Mahalo!



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